

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0201-03
Bill No.: Perfected HCS for HB 30
Subject: Insurance - Medical; Health Care Professionals; Health Care; Physical Therapists
Type: #Updated
Date: April 18, 2013
#Updated to reflect updated information from actuarial firms.

Bill Summary: This proposal requires copayments, coinsurance, and deductibles charged for physical therapist services to be no greater than those charged for the same services provided by primary care physicians for an office visit.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
#General Revenue	\$0 or (Unknown less than \$5,000)	\$0	\$0
#Total Estimated Net Effect on General Revenue Fund	\$0 or (Unknown less than \$5,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Insurance Dedicated Fund	Up to \$5,000	\$0	\$0
Total Estimated Net Effect on <u>Other</u> State Funds	Up to \$5,000	\$0	\$0

Numbers within parentheses: () indicate costs or losses. This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2014	FY 2015	FY 2016
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions & Professional Registration (DIFP)** assume insurers would be required to submit amendments to their policies to comply with legislation. Policy amendments must be submitted to the department for review along with a \$50 filing fee. The number of insurance companies writing these policies in Missouri fluctuates each year. One-time additional revenues to the Insurance Dedicated Fund are estimated to be up to \$5,000.

Additional staff and expenses are not being requested with this single proposal, but if multiple proposals pass during the legislative session which require policy form reviews the department will need to request additional staff to handle an increase in workload.

Oversight contacted Missouri Consolidated Health Care Plan in regards to the cost of an actuarial analysis, and were informed that cost of this study by an outside contractor would be unknown but greater than \$100,000.

Officials from the **Department of Transportation** assume the current proposal would not fiscally impact their agency.

In response to a similar version of this legislation, officials from the **Department of Health and Senior Services** and **Missouri Consolidated Health Care Plan** each assumed the proposal would not fiscally impact their respective agencies.

Oversight is unsure if the need for the actuarial analysis would be waived under subsection 3; therefore, Oversight will range the fiscal impact of this committee substitute from \$0 (actuarial analysis is waived) to the estimate provided.

#Oversight has updated information regarding the cost for an actuarial analysis for this proposal.

<u>FISCAL IMPACT - State Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
GENERAL REVENUE FUND			
# <u>Cost</u> - Oversight Division - Actuarial Analysis	\$0 or (Unknown less than <u>\$5,000</u>)	<u>\$0</u>	<u>\$0</u>
# ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0 or (Unknown less than \$5,000)</u>	<u>\$0</u>	<u>\$0</u>
INSURANCE DEDICATED FUND			
<u>Revenue</u> - Department of Insurance, Financial Institutions & Professional Registration - Filing Fees	<u>Up to \$5000</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON INSURANCE DEDICATED FUND	<u>Up to \$5000</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2014 (10 Mo.)	FY 2015	FY 2016
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation limits the copayments, coinsurance, and office visit deductible charged by a health carrier for services of a physical therapist to the same amount as charged by the health carrier for a primary care physician.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial Institutions
and Professional Registration
Missouri Consolidated Health Care Plan
Department of Transportation
Department of Health and Senior Services
Oversight Division



Ross Strobe
Acting Director
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